

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 394 - HB 483

February 28, 2011

SUMMARY OF BILL: Eliminates the assessment and taxation of shares of stock of any loan or cemetery company as personal property of the stockholders for state, county or municipal purposes.

ESTIMATED FISCAL IMPACT:

Decrease Local Revenue – \$908,400

Assumptions:

- According to the Comptroller of the Treasury, eight cemetery companies and twenty-six loan companies in Davidson County would be exempted from intangible personal property taxation reducing assessed tax liability by \$908,440 [\$662,107 (cemetery companies) + \$246,333 (loan companies)].
- Assessed tax is owed to local governments unless the State Board of Equalization or a reviewing court reverses the assessment. Although taxpayers are contesting a portion of the assessments in Davidson County and an assessment has been dismissed in Knox County, neither the State Board of Equalization nor a reviewing court has held that the tax assessed in Davidson County is not owed. The dismissed Knox County assessment is not included in the revenue reduction in this fiscal note.
- This bill may apply to one cemetery company in Shelby County. No data are available as to the amount of revenue, if any, that has been collected. In the absence of such information, no fiscal impact is included for Shelby County.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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